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REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

JUDGMENT ON WRITTEN SETTLEMENT AGREEMENT San Diego Housing Commission, et al. v. Pacifica Lucera, L.P., et al. San Diego Superior Court Case No. GIC819796

INTRODUCTION

We are pleased to inform you that the settlement in the above-referenced matter has been approved by the Court. The case involved a dispute regarding a density bonus agreement for Lucera Town Center Apartments. The settlement calls for the cancellation of a density bonus agreement (with less than four years remaining) affecting real property located at 7170 Shoreline Drive, in the University City area, and payment of \$1.75 million dollars to the San Diego Housing Commission by Pacifica Lucera L.P. and Pacifica Lucera Two L.P. The settlement was subject to approval by the San Diego Superior Court.

On Friday, December 5, 2003, the Court judgment approving the settlement was entered, all appeal periods were waived, and a settlement check for approximately \$1.7 million was delivered to the San Diego Housing Commission. This matter was handled by Christensen, Schwerdtfeger and Spath, legal counsel to the Housing Commission. A copy of the Judgment on Written Settlement Pursuant to Code of Civil Procedure section 664.6 is attached.

Respectfully submitted,

CASEY GWINN City Attorney

CG:PD:dm:cdk (043.1; 040.1) Attachment RC-2004-1